



What is the Multifamily Housing Property Tax Exemption (MFTE) Program?

The MFTE Program is a voluntary affordable housing incentive for new apartment development. The MFTE provides a 12-year exemption from property taxes paid on the housing portion of qualifying projects in exchange for setting aside 20% of the units for income-eligible households.

Where can the MFTE be used?

Projects must be located in these targeted mixed-use residential areas (see map on back):

- Bel-Red
- Downtown Bellevue
- Eastgate Planning
- Crossroads Village
- Wilburton Commercial

Besides affordable housing, what other eligibility requirements must the project meet?

- Project is new construction, multi-family rental housing of at least 4 dwelling units.
- At least 50% of the new space is intended for permanent residential occupancy.
- At least 15% of the dwelling units have 2 or more bedrooms.
- The unit mix, configuration, quality and finishes of the affordable units are consistent with all dwelling units in the project.
- Project does not result in loss of existing subsidized affordable housing.
- Project is completed within 3 years or within an extension period approved by the director.

Tax Exemption

- Land and any non-residential component of the project (retail, commercial, office space, etc.) is not eligible for the exemption.
- The property tax exemption will remain in place for a maximum of 12 years, provided the property remains in compliance with program requirements.

- The tax exemption is transferable to a new property owner as long as the new owner maintains compliance with program requirements.

Approval Process

Applications must be submitted to Bellevue's Department of Planning & Community Development (PCD) prior to the issuance of a project's first building permit. If the director approves the application, the city will issue a Conditional Certificate of Acceptance for Tax Exemption. The city will then assign A Regional Coalition for Housing (ARCH) to develop a tax exemption contract and a regulatory agreement for execution by the project owner and the city manager. The regulatory agreement will be recorded as a covenant running with the land.

When the housing units are ready for occupancy, the applicant will submit to PCD an application for a Final Certificate of Tax Exemption, demonstrating that the project complies with all of the requirements of the program. If the director approves the application, the city will issue a Final Certificate to the King County Assessor, who will exempt the residential improvements from the taxable value of the property.

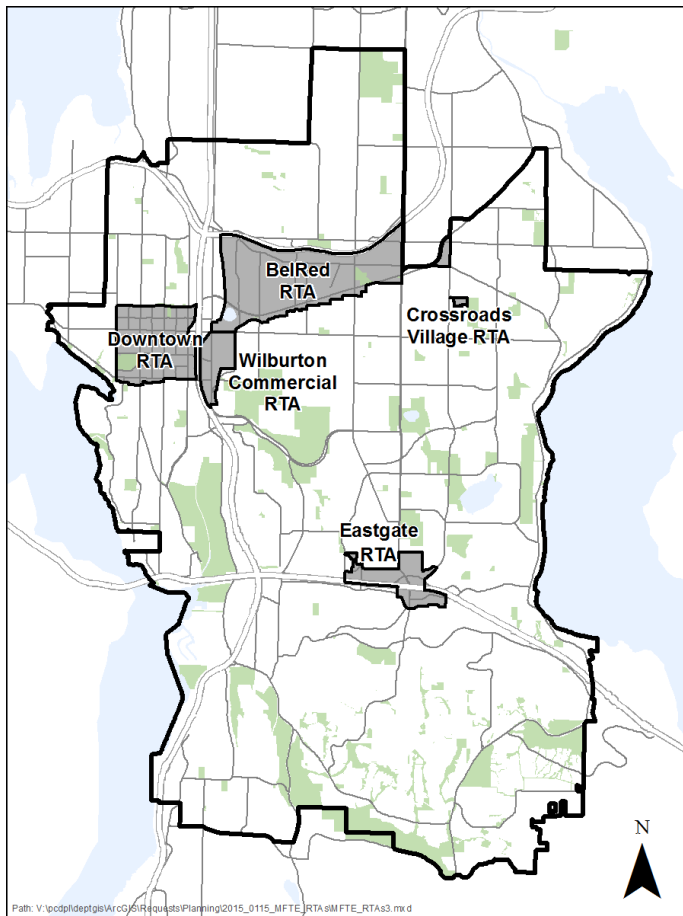
Annual Reporting

Affordable housing tenants must be able to certify their income eligibility at the time of initial occupancy, and annually thereafter.

MFTE Program Information

- Mike Stanger, ARCH
425 861-3677 mstanger@bellevuewa.gov
- Janet Lewine, Bellevue PCD
425 452-4884 jlewine@bellevuewa.gov
- MFTE webpage
- June 15, 2015 Ord. 6231
- Bellevue Code Chapter 4.52

Residential Target Area	Affordability
Downtown Bellevue Eastgate Planning Crossroads Village, and Wilburton Commercial	10% of all dwelling units in the project are affordable to household incomes 60% (or less) of the King County median income, adjusted for household size; and another 10% are affordable to household incomes 70% (or less) of the median. Any unit of 300 sq. ft. or less must be affordable to household incomes 45% (or less) of the median.
Bel-Red Area	10% of all dwelling units in the project are affordable to household incomes 50% (or less) of the King County median income, adjusted for household size; and another 10% are affordable to household incomes 70% (or less) of the median. Any unit of 300 sq. ft. or less must be affordable to household incomes 45% (or less) of the median.



MFTE Residential Targeted Areas

2015 Income Guidelines and Rental Costs*

Bed-rooms	Household Size	45% AMI Income	45% AMI Rent**	50% AMI Income	50% AMI Rent**	60% AMI Income	60% AMI Rent**	70% AMI Income	70% AMI Rent**
Studio	1 person	\$28,224	\$706	\$31,360	\$784	\$37,632	\$941	\$43,904	\$1,098
One	2 persons	\$32,256	\$806	\$35,840	\$896	\$43,008	\$1,075	\$50,176	\$1,254
Two	3 persons	\$36,288	\$907	\$40,320	\$1,008	\$48,384	\$1,210	\$56,448	\$1,411
Three	4 persons	\$40,320	\$1,008	\$44,800	\$1,120	\$53,760	\$1,344	\$62,720	\$1,568

* Based on the King County/Seattle MSA Median Income: **\$89,600**

** Monthly rental cost includes rent and utility. Utility allowance is for gas and electricity only. If the resident pays directly for other utilities (e.g. water), then the utility allowance will be increased to reflect those costs.
2015 Utility Allowance/month: Studio \$41; One-bedroom \$62; Two-bedroom \$82; Three -bedroom \$103